

BUILDING COMMUNITIES IN

# MAINE

USDA RURAL DEVELOPMENT  
PROGRESS REPORT FY 2014



CREATING OPPORTUNITIES FOR A BRIGHT FUTURE IN MAINE'S RURAL COMMUNITIES



*Cover Background Picture: Front Street Shipyard, Belfast, Maine*

Photo by Billy Black



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## *A Message from State Director Virginia Manuel*



USDA Rural Development Maine  
State Director Virginia Manuel

**I**n Fiscal Year 2014, USDA Rural Development invested **\$433.8 million**, including leveraged funds in Maine communities. This figure represents the efforts of our partners, our hardworking Maine staff, and our commitment to providing opportunities to Maine businesses, communities, and people through our diverse programs.

You will read in this publication about some of the many vibrant and innovative Maine businesses that are utilizing our state's abundant natural resources to produce unique products and services, including locally grown and produced foods. One such business highlighted here is VitaminSea, with headquarters in Scarborough, which makes a variety of value-added products from Maine seaweed.

Additionally, two Maine renewable energy "firsts" are highlighted- Maine's first net-zero solar and geothermal affordable housing complex, Brookside Village, in Farmington, and Maine's first solar ski area, Mt. Abram, in Greenwood. Along with Community Economic Development projects that support our community facilities, wastewater infrastructure, and rural businesses, such as Front Street Shipyard, in Belfast, these efforts are helping to promote economic prosperity in rural Maine.

FY 2014 has truly been a year of great milestones and accomplishments for Maine's rural communities, and we are pleased to work with our valued partners in FY 2015.





# M

## MAINE'S DEDICATED USDA RURAL DEVELOPMENT TEAM



State Office Staff (Bangor)



Presque Isle Area Office Staff



Bangor Area Office Staff



Lewiston Area Office Staff



Scarborough Area Office Staff



# INVESTING IN HEALTHY AND SUSTAINABLE RURAL MAINE COMMUNITIES

## USDA Rural Development Accomplishments Fiscal Year 2014

### Housing Programs:

- 2,085 Maine families were assisted in obtaining the American Dream of homeownership.
- 129 Maine families were assisted in making essential home repairs and energy-efficient upgrades.
- 5,545 families or individuals were assisted in quality rental housing with over \$31.6 million invested in Rental Assistance.

### Community Programs:

- 35 essential community facilities such as schools, first responders, water and wastewater facilities, and libraries were assisted.
- 15,684 people were assisted in quality water systems through funding of essential water and wastewater infrastructure.
- 6 health care and educational facilities received Distance Learning and Telemedicine Program funds for learning and health care opportunities.

### Business & Cooperative Programs:

- 604 jobs have been saved or are projected to be created.
- 148 Maine businesses were assisted.
- 8 Rural Energy for America Program Loans or Grants were awarded to Maine's agricultural producers and rural small businesses.



### Maine Investments:

#### Housing Programs:

**\$336.7 Million**

#### Community Programs:

**\$48.8 Million**

#### Business Programs:

**\$20.6 Million**

**Total: \$433.8 Million**

*\*Includes \$27.7 mil in Leveraged Funds*



# USDA RURAL DEVELOPMENT PRIORITY AREAS

**“Strong Rural Communities are the Key to a Stronger America” - President Obama**

## **I. Creating Ladders of Opportunity for Rural Americans with a Community Economic Development Approach and Targeted Investments in High Need Communities**

Rural Development supports this priority by focusing its investment in low-income rural communities and taking a community economic development approach to its investments, from housing and community facilities to infrastructure and rural business and cooperative development.

### **Projects Highlighted in this Report:**

- Town of Hartland
- Jackson Family
- Katahdin Valley Health Center
- Front Street Shipyard



Town of Hartland Wastewater Upgrades

## **II. Advancing the Bioeconomy, Supporting Development of Renewable Energy, and Promoting Energy Efficiency**

Energy presents rural America with historic economic opportunities. The bioeconomy continues to grow and expand; from solar to wind, there is growing demand for renewable energy. From solar panels on Rural Development-financed housing properties to grants, direct loans, and loan guarantees through Rural Development energy programs, Rural Development invests in growing the bioeconomy, supporting the development of renewable energy, and promoting energy efficiency nationwide.

### **Projects Highlighted in this Report:**

- Brookside Village Apartments
- Mt. Abram Ski Area
- Longleaf Lumber



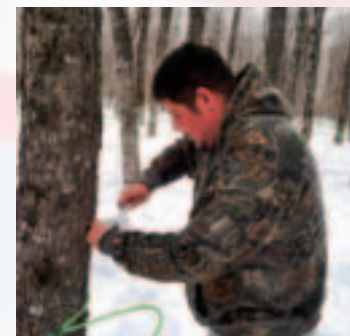
Brookside Village Net-Zero Apartments

## **III. Growing Local and Regional Food Systems**

Rural communities stand to prosper from the creation and expansion of infrastructure, business services, and supply chain development needed to respond to increased demand for and consumption of food that is consumed in the region where it is grown. With funding for infrastructure, business development, and technical assistance, Rural Development directly supports the growth of local and regional food systems throughout the country.

### **Projects Highlighted in this Report:**

- Passamaquoddy Tribe Maple Syrup Venture
- VitaminSea
- Flying Goat Farm



Passamaquoddy Tribe Maple Syrup



# I NVESTING IN COMMUNITY ECONOMIC DEVELOPMENT



*USDA Rural Development State Director Virginia Manuel (back row second from right) joined Town Manager of Hartland Chris Littlefield, Tasman Industries Executive Vice President Conrad Nadeau, Congressional Staff, State Representatives, Partners, and Children from the Hartland community in signing the official USDA Earth Day Banner, which pledges to keep the environment clean.*

## *USDA Rural Development Invests in Hartland's Wastewater Infrastructure*

Officials, partners, and the community gathered at the Town of Hartland's Wastewater Treatment Facility on April 22, 2014, to celebrate Earth Day.

At the special Earth Day Celebration, USDA Rural Development State Director Virginia Manuel announced critical USDA Rural Development funding that would assist the community of 1,782 in making upgrades to its aging wastewater treatment facility, which at over 40 years was showing age. The upgrades were important in ensuring the protection and future health of the nearby Sebasticook River (pictured.) The river, which is approximately 50-miles long, is home to many rare, threatened, and endangered species including the Tomah Mayfly, the Yellow Lamp Mussel, and the Black Tern.

In addition, this project helps support 120 jobs at local Tasman Industries (a tannery), which depends on the infrastructure for processing its output (about 75 percent of the flow).

USDA Rural Development has provided the Town of Hartland \$6.4 million in **Water and Waste Disposal Direct Loan and Grant** funds to assist with the improvements.







*The Jackson Family of 13 have found the perfect home to suit their large family's needs.*

## *USDA Rural Development Helps Large Northern Maine Family Feel Right at Home*

Joyce and Jerome Jackson have found a home in St. Francis that is just the right fit for their large family of 13. With 11 children, ages from 1 to 16 (all names beginning with J), the family was in need after living in cramped quarters in a home with a leaky roof and mold issues.

The Jackson Family was assisted through USDA Rural Development's **502 Direct Loan Program**. The family now has a 12-room house with 7 bedrooms and a large yard. It is ideal for home schooling the children (all are home schooled).

Since FY 2000, USDA Rural Development has been an important partner in Homeownership in Maine, assisting over 20,000 homeowners and investing \$2.2 billion in Maine (on average assisting approximately one out of every five homeowners.)





# I NVESTING IN COMMUNITY ECONOMIC DEVELOPMENT



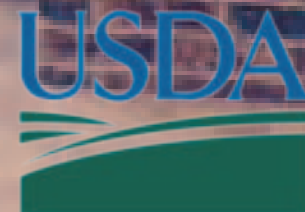
*Newly renovated space at the Ashland branch of Katahdin Valley Health Center will better serve many northern Maine residents.*

## *USDA Rural Development Invests in Healthcare in Medically Underserved Area*

**M**ajor renovations are nearing completion at the Ashland Branch of Katahdin Valley Health Center.

The upgrades to the existing 9,000 square foot building will give local residents access to medical services that were previously not available in the area. Services that will be made available to this Medically Underserved Area include oral health, ophthalmology, mental health, and substance abuse services and other vital services. Additionally, upgrades include a new and highly efficient boiler and enhanced waiting room space.

USDA Rural Development assisted Katahdin Valley Health Center through a **Community Facility Guaranteed Loan** in the amount of \$2.1 million in partnership with Bangor Savings Bank to assist with the renovations.







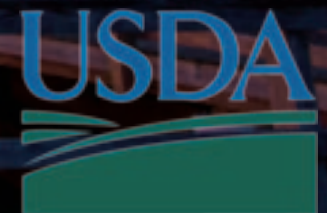
*Front Street Shipyard President JB Turner stands next to yachts "Atlantide" and "Tumblehome," which were refitted at its Belfast facility.*

## *Local Shipyard Efforts Support Maine's Boat Manufacturing Industry*

**U**SDA Rural Development is helping to keep Maine's historic boatbuilding industry thriving in Belfast.

Front Street Shipyard received a \$10 million **Business & Industry Guaranteed Loan** through USDA Rural Development and Androscoggin Bank. The funds will help the marine business with its refinancing efforts, and support 114 local jobs in the boatbuilding industry.

Front Street Shipyard builds and retrofits boats as big as 200 feet at its waterfront facility. It has also worked closely with the city to revitalize the waterfront and has become a vital contributor to Belfast's economy. It is now the largest yacht facility north of Newport, Rhode Island, and is one of the largest on the entire East Coast.





# I NVESTING IN RENEWABLE ENERGY SYSTEMS AND THE BIOECONOMY



*Standing in front of the solar array at Maine's first solar-powered ski area, Mt. Abram, at the Solar Commissioning Ceremony are: Solar Market Owner Naoto Inoue; Mt. Abram Owner Matthew Hancock; USDA Rural Development State Director Virginia Manuel; Office of Senator Angus King, Jr. Regional Representative Ben Tucker; and Office of Senator Susan M. Collins State Office Representative Carlene Tremblay.*

## *Mt. Abram Becomes Landmark Solar Ski Area*

**W**ith the installation of an immense 803 panel solar photovoltaic system, Mt. Abram, in Greenwood, became the first solar ski area in Maine and has the second largest solar array at a ski area in the country.

The business will benefit from the "green" upgrades, which will generate enough clean solar energy to power 70 percent of its operations. Mt. Abram expects to draw 40,000 skiers to its mountain annually to take advantage of Maine's cold snowy winters. The ripple effect that the skiers have on the local economy is key, as ski enthusiasts will patronize local restaurants, shops, and lodging facilities in the rural areas surrounding it. It also helps to support 125 vital jobs at Mt. Abram.

USDA Rural Development provided \$235,000 through a **Rural Energy for America Program Grant** to help make this important and landmark renewable energy project possible.





# I NVESTING IN RENEWABLE ENERGY SYSTEMS AND THE BIOECONOMY



*USDA Rural Development State Director Virginia Manuel joins Brookside Village Tenant, Owners Byron (Buzz) Davis and Bill Marceau, MaineHousing Director of Development Dan Brennan; Bangor Savings Bank Senior Vice President of Community Development Lending John Moore; Farmington Town Manager Richard Davis; and Partners in cutting the ribbon at a Grand Opening Ceremony for Brookside Village.*

## *USDA Rural Development Supports Maine's First Solar Affordable Apartments*

**B**rookside Village is Maine's first solar net-zero affordable housing apartment building.

The newly-constructed building, in Farmington, has 228 solar panels on its roof, and a geothermal heating system. Most importantly, it is a brand new affordable home to 32 seniors.

USDA Rural Development provided \$1 million in loan funds through its **Rural Rental Housing Program** for the construction of Brookside Village and will continue to help the seniors to make their rent payments through ongoing Rental Assistance for all 32 units. Other essential funding partners are MaineHousing, Maine Department of Economic and Community Development, and Boston Capital.





# I NVESTING IN RENEWABLE ENERGY SYSTEMS AND THE BIOECONOMY



*Longleaf Lumber employee Broc Harzinski works on crafting a headboard from reclaimed walnut lumber.*

## *Longleaf Lumber Cuts Costs Through Renewable Energy*

**L**ongleaf Lumber is a bio-based Maine business that is literally built on being sustainable- reclaiming antique wood from historic buildings, barns, mills, churches, and other old buildings, and turning it into fine flooring, cabinetry, moulding, and more.

Recently, the business received a **Rural Energy for America Program Grant** in the amount of \$25,023 to purchase and install a new 36.7 kWh Solar Photovoltaic System to benefit its new lumber mill in Berwick.

This system is expected to carry 20% of the total energy demands at this facility, saving 42,982 kWh annually. Longleaf Lumber processes 3,000 tons of lumber annually at its Berwick facility.







*Passamaquoddy Tribe Forestry Technician Karl Nicholas demonstrates proper tapping techniques.*

## *USDA Rural Development Supports Maine Tribal Maple Syrup Venture*

**W**ith 65,000 acres of Maine forest land, the Passamaquoddy Tribe has a prime opportunity to harvest a product New England is well-known for—maple syrup.

This abundant and sought after natural resource is in demand in households, restaurants, and retail outlets. In the next five years, the Tribe could produce approximately 15 percent of current total state production, making them the largest maple syrup producer in Maine. In ten years there is the potential for the Tribe to tap 200,000 trees, giving them title of one of the largest maple syrup producers in North America. Selling at up to \$40 per gallon, the Tribe has an opportunity to benefit from this sustainable business venture well into the future.

USDA Rural Development provided the Passamaquoddy Tribe with a **Rural Business Enterprise Grant** in the amount of \$99,500 for value-added processing which will allow the Tribe to bottle the syrup in a way that will help it to capitalize on Maine's tourist seasons and holiday sales.





# GROWING LOCAL AND REGIONAL FOOD SYSTEMS



*VitaminSea Harvester, Paul Tarkleson holds up 'Kombu' Seaweed.*

## *USDA Rural Development Supports Maine Aquaculture Business*

**I**nnovation is coming from the sea in the form of sea vegetables. A Maine company with its headquarters in Scarborough, Vitamin Sea, is harvesting seaweed and turning it into a wide variety of value-added products.

With 30 years making a living from the ocean, local marine family, "the Roth's" are sustainably harvesting live seaweed off Maine's pristine rocky coast. The unique Maine company is harvesting seaweed from deep in the ocean, creating a broad array of products including healthy snacks, "Sea-sonings," agricultural products, seaweed for use in Lobster Bakes, pet products, and more. The company harvests 100,000 pounds of wet seaweed annually, which equates to 10,000 pounds of dry seaweed for production.

USDA Rural Development provided VitaminSea with a **Value-Added Producer Grant** in the amount of \$99,988 to support a marketing plan, assisting it in procuring unique packaging and with increased labor production costs. In addition, the business will add three jobs and help retain three jobs as a result of the funding.





# GROWING LOCAL AND REGIONAL FOOD SYSTEMS



*A visitor to the farm during an Open Farm Day visits with Goat "Yoko."*

## *Small Maine Family Goat Farm Has Long-Term Sustainability in Mind*

**T**he owners of Flying Goat Farm, a 50-head goat farm in Acton have a long-term plan to help themselves and the environment- to become self-sustaining and run their small farm solely on renewable energy sources.

The husband and wife team of Devin Shepard and Cara Sammons raises goats, pigs and chickens to produce products such as gourmet cheeses, yogurts, smoked ham, bacon, and more to sell at area Farmers Markets. With assistance from USDA Rural Development, they will purchase and install a 6.9 kWh Solar Photovoltaic System, which will help them reduce energy costs by half, saving 7,639 kWh annually.

USDA Rural Development provided \$4,961 through a **Rural Energy for America Program Grant** to help Flying Goat Farm purchase the solar photovoltaic system.





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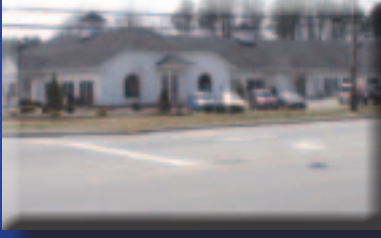
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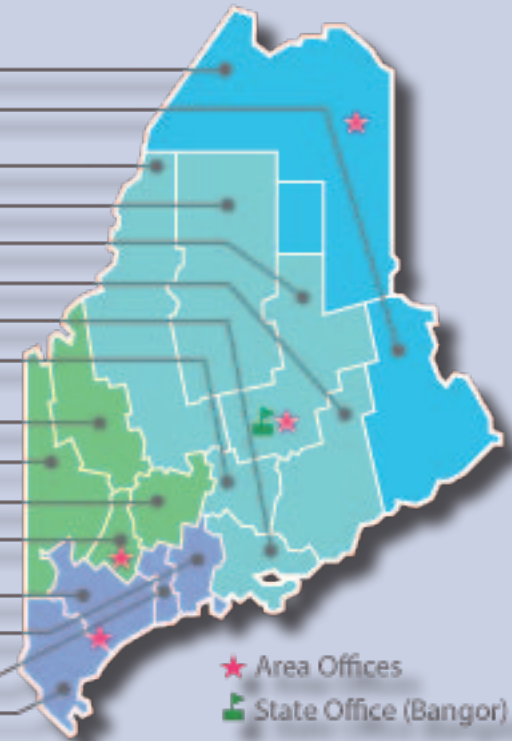


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AREA	COUNTY
1 PRESQUE ISLE*	Aroostook Washington
2 BANGOR*	Somerset Piscataquis Penobscot Hancock Waldo Knox
3 LEWISTON	Franklin Oxford Kennebec Androscoggin
4 SCARBOROUGH	Cumberland Lincoln Sagadahoc York

\*Exception - Northern Part of Penobscot County is included in Area 1



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